

DECLASSIFIED AND RELEASED BY
CENTRAL INTELLIGENCE AGENCY
SOURCE/METHOD/EXEMPTION 3B2B
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2008

REFERENCE & EXTRACT

EGBA 50186
3 June 1958

Filed LCCASSOCK /2 Fin

SUBJECT: LCCASSOCK/Disappearance of DMW 5,000 in Project Accountings in Feb 1955

REF: A. EGBA 22688, 18 May 1955
B. EGBA 26542, 18 Oct 1955
C. EGBA 26543, 18 Oct 1955
D. EGQW 27057, 12 Dec 1955
E. EGBA 31017, 17 April 1956

2. In April 1955 a discrepancy of DMW 5,000 was discovered in the February 1955 LCCASSOCK accountings. The following list of investigative checks ...

a. ...The money must have disappeared between the time [] (the case officer at the time) received and receipted for a DMW \$5,000 advance from BOB Finance and the time the receipt of only DMW 20,000 was recorded on the LCCASSOCK books by the LCCASSOCK bookkeeper, MARQUARDT []

b.... LCCASSOCK -1 stated that Marquardt maintained that he counted only DMW 20,000 and informed LCCASSOCK-1 to this effect, at the time the advance was turned over to him by LCCASSOCK-1 during a meeting between the latter and Treasett, in the first week of February 1955. LCCASSOCK-1 assumed full responsibility for the missing DMW 5,000 since he had signed a receipt for full DMW 25,000 but had not counted it.

f. Technical surveillance of Marquardt (discontinued in the fall of 1955) revealed nothing unusual or suspect.

g. ... On 22 March 1956 LCCASSOCK-1 was given an LCFLUTTER on this Subject without indicating either guilt or innocence.

h. In the absence of an operational justification, no further direct investigative action, was taken with regard to Marquardt nor has such action been considered feasible with respect to other LCCASSOCK employees who may have had access to the missing funds (assuming Marquardt's innocence).

2. ... Officially and legally LCCASSOCK would appear to be the only person who can be held accountable for the missing money, and there is nothing to disprove Marquardt's assertion that he (Marquardt) ~~received and counted only DMW 20,000.~~

3. Recommendations: a) Missing DMW 5,000 be written off as an operational expense irrecoverable under the circumstances; b) continuing check by case officer for any future clues to money's whereabouts; c) that the question of the missing money

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(be included in any LCFLUTTER of LCCASSOCK-1 which for other operational reasons may be deemed advisable in the future.